

SENATE BILL REPORT

SHB 2673

As Passed Senate, March 3, 2020

Title: An act relating to exemptions for infill development under the state environmental policy act.

Brief Description: Concerning exemptions for infill development under the state environmental policy act.

Sponsors: House Committee on Environment & Energy (originally sponsored by Representatives Barkis, Griffey, Gildon, Steele, Ybarra, Smith, Chambers, Boehnke, Hoff, Vick, Eslick, Volz, Graham, Jenkin, Klippert, Van Werven, Tharinger and Dufault).

Brief History: Passed House: 2/17/20, 98-0.

Committee Activity: Housing Stability & Affordability: 2/26/20, 2/28/20 [DP].

Floor Activity:

Passed Senate: 3/03/20, 43-4.

Brief Summary of First Substitute Bill

- Modifies the local categorical State Environmental Policy Act exemption for infill development to include development in areas where current density and intensity of use is roughly equal to or lower than projections in a local government's Growth Management Act comprehensive plan.

SENATE COMMITTEE ON HOUSING STABILITY & AFFORDABILITY

Majority Report: Do pass.

Signed by Senators Kuderer, Chair; Das, Vice Chair; Zeiger, Ranking Member; Fortunato, Assistant Ranking Member; Darneille, Saldaña and Warnick.

Staff: Brandon Popovac (786-7465)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land-use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land-use designation and environmental protection requirements for all Washington counties and cities. The GMA also establishes a significantly wider array of planning duties for 28 counties, and the cities

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within those counties, that are obligated to satisfy all planning requirements of the GMA. These jurisdictions are sometimes said to be "fully planning" under the GMA.

Counties that fully plan under the GMA must designate Urban Growth Areas (UGAs), areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. Fully planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period.

The GMA also directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA. In developing their comprehensive plans, counties and cities must consider various goals set forth in statute.

State Environmental Policy Act. The State Environmental Policy Act (SEPA) establishes a review process for state and local governments to identify environmental impacts that may result from governmental decisions, such as the issuance of permits or the adoption of land-use plans. Except for development projects that are exempt from SEPA requirements, the SEPA generally requires a project applicant to submit an environmental checklist. The checklist includes answers to questions about the potential impacts of the project on the built environment and the natural environment. Generally, an environmental impact statement (EIS) must be prepared for a proposal which the lead agency determines will have a probable significant and adverse impact on the environment.

Infill Development. To accommodate infill development and realize comprehensive plan goals and policies, fully planning counties and cities under the GMA may establish a categorical exemption from SEPA requirements for government actions related to residential development, mixed-use development, and commercial development of up to 65,000 square feet, excluding retail development. The categorical exemption must be proposed to fill in an urban growth area designated under the GMA where the current density or intensity of use is lower than called for in the goals and policies of the comprehensive plan. The categorical exemption may not exempt government action related to development that is inconsistent with the applicable comprehensive plan or that would exceed the density or intensity of use called for in the comprehensive plan.

Cities and counties that adopt an infill development categorical exemption must consider the specific probable adverse environmental impacts of proposed actions and determine that specific impacts are adequately addressed by the development regulations or other applicable comprehensive plan or legal requirements.

The comprehensive plans of cities and counties that adopt an infill development categorical exemption must have previously been subjected to an EIS, or the city or county must prepare an EIS considering the proposed use or density and intensity of use proposed in the infill development categorical exemption.

Summary of First Substitute Bill: The local categorical SEPA exemption for infill development in UGAs is modified to include if the government action relates to development

that occurs where current density and intensity of use is roughly equal to or lower than what is called for in a fully planning jurisdiction's comprehensive plan. The categorical exemption for infill development may not exempt government action related to development that is inconsistent with the applicable comprehensive plan or that would clearly exceed the density or intensity of use called for in the comprehensive plan.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill is a product of extensive stakeholder work and bringing together people who disagree on several GMA matters. Working with SEPA exemptions within the context of the comprehensive plan while within the UGA is very important. The bill helps alleviate some of the redundancies and time delays encountered by developers, which is something that the state cannot afford in having to build more units. Although the outright exemption in the underlying bill is preferred, the bill still allows flexibility with local options for jurisdictions who want to plan for growth. The bill passed off the floor unanimously indicating very strong bipartisan support.

OTHER: This is a good valuable tool for local governments to promote urban redevelopment and do more infill development, which often produces affordable housing.

Persons Testifying: PRO: Representative Andrew Barkis, Prime Sponsor; Alex Hur, Master Builders Association of King and Snohomish Counties; Jeanette McKague, Washington Realtors; Jan Himebaugh, Building Industry Association of Washington.

OTHER: Carl Schroeder, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: No one.